

What Employers Need to Know About MassHealth Premium Assistance Programs

The MassHealth Premium Assistance Program helps working individuals and families pay for employer-sponsored health insurance coverage. MassHealth members with access to qualifying employer-sponsored insurance (ESI) may be eligible to enroll in Premium Assistance. The Premium Assistance Program helps to pay for the employee share of the monthly health insurance premiums deducted from their pay check by their employer. Premium assistance reimbursements are provided directly to the employee. MassHealth may also assist with other out-of-pocket costs such as copayments, deductibles, and coinsurance.

- Certain MassHealth members with access to ESI are required to enroll in and maintain available ESI, as long as certain rules are met:
 - The health insurance coverage must meet certain requirements, called the Basic Benefit Level, as defined in 130 CMR 501.001.
 - Certain MassHealth coverage types require that the employer contribute at least 50% toward the total cost of the ESI plan in order for the plan to qualify for Premium Assistance.
 - The deductible and out-of-pocket expenses must be within limits allowed under the program.
 - MassHealth must determine it is cost-effective for the member to enroll.
 - MassHealth must determine that the member is eligible for the Premium Assistance Program.
- Members who are determined eligible for Premium Assistance may enroll in ESI without regard to any enrollment periods or other restrictions that apply to late enrollees for any group plan, as the eligibility determination is considered a qualifying event.
- MassHealth members may apply for Premium Assistance at any time.
- Once the eligible employee enrolls in ESI, the Premium Assistance Program must receive proof of enrollment, such as a copy of the enrollment/election form, before the employee can be reimbursed for premiums.
- The Premium Assistance Program conducts annual eligibility determinations in conjunction with the employer's open enrollment period to review updated plan information for all members.
- MassHealth members are required to report to MassHealth changes that may affect eligibility within 10 days of the change, including changes to the availability of ESI (see 130 CMR 501.010(B)).
- Note that employees enrolled in employer-sponsored insurance—including but not limited to those enrolled in our Premium Assistance program—are not included in the calculation of their employer's obligation under the Employer Medical Assistance Supplement (i.e., employees receiving MassHealth coverage as a secondary payer are not included in their employer's obligation under the EMAC Supplement) (see 430 CMR 21.03(2)).

Employer Information Required by MassHealth for Premium Assistance and ESI Enrollment

MassHealth members with access to ESI who may be eligible for Premium Assistance will receive a letter from MassHealth informing them that they must apply for Premium Assistance and enroll in ESI, if eligible.

- In some instances, employees may present a premium assistance application to the employer for the employer to complete. The employer must provide information about their ESI in order for MassHealth to determine if the ESI qualifies and the employee is eligible for the program. It is important for employers to provide this information to MassHealth as soon as possible. Eligible employees are required to enroll in and maintain the qualifying ESI.

Health Insurance Responsibility Disclosure (HIRD)

As of November 3, 2017, every employer in Massachusetts with six or more employees is required by law to annually submit a HIRD Form. The HIRD reporting will be administered by MassHealth and the Department of Revenue through web-based reporting in late 2018. The HIRD Form will collect information about the employers' ESI offerings, including:

- Summary of benefits for all available health plans
- Eligibility criteria for ESI offerings
- Total monthly premiums of all available health plans
- Employer and employee shares of monthly premiums

The HIRD Form will assist MassHealth in determining members' access to qualifying ESI and eligibility for Premium Assistance. In most instances, the HIRD form will eliminate the need for employers to complete a separate premium assistance application for the employee.

For more information, visit the MassHealth Premium Assistance web page:

<https://www.mass.gov/service-details/other-health-insurance-and-masshealth-premium-assistance>